NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) - Paid-Up With 640 Acres Pooling Provision

PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 26th day of October, 2009, by and between Chris Chappell, whose address is 1425 McCov Street Dallas, Texas 75204-5456, Lessor (whether one or more), and FOUR SEVENS ENERGY CO., LLC, whose address is 201 Main Street, Suite 1455, Fort Worth, Texas 76102, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described land, hereinafter called leased premises:

.146 acres of land, more or less, McKinney & Williams Survey, John Wesley Smith Survey, and Isaac Shrum Survey, Abstract 1118, Abstract 1397, Abstract 1406, and Abstract

1397, consisting of the following 4 (four) tracts:

First Tract: 0.597 acres of land, more or less, Tract 1A1, Abstract 1118 & 1397, described in that deed dated January 16, 1996, from Texas Commerce Bank National Association, Independent Administrator of the Lucille Maddox Estate, as Grantor to Chris Chappell, as Grantee recorded in Volume 12229, Page 441 of the Deed Records of Tarrant County, Texas.

Second Tract: 2.296 acres of land, more or less, Tract 2L, Abstract 1406, described in that deed dated February 7, 1996, from SIGMOR CORPORATION, a Delaware corporation, as Grantor to Chris Chappell, as Grantee recorded in Volume 12253 Page 623 of the Deed Records of Tarrant County, Texas.

Thrid Tract: 2.106 acres of land, more or less, described in that deed dated June 19, 1998, from Teresa Kruger, as Grantor to Chris Chappell, as Grantee recorded in Volume 13274 Page 522 of the Deed Records of Tarrant County, Texas.

Fourth Tract: 0.147 acres of land, more or less, described in that deed dated June 19, 1998, from Teresa Kruger, as Grantor to Chris Chappell, as Grantee recorded in Volume 13274 Page 522 ords of Tarrant County, Texas.

in the County of <u>Tarrant</u>. State of TEXAS, containing <u>5.146</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct,

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of 5 years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.
- 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be 25% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be 25% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing price) purchase the production of similar quality in the same field (or if there is no such price then prevailing price) purchases the fact on which Lessee contracts field in which there is not production of the prevailing price and the date on which Lessee contracts the prevailing price. such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered It at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are waiting on hydraulic fracture stimulation, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of one dollar per acre then covered by this lease, such payment to be made to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.
- 4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in <u>at Lessor's address above</u> or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordeble instrument against another institution as described and accept the payment has a proper recordeble instrument against another institution as described and accept the payment has a proper recordeble instrument against another institution as described and payments are payment. recordable instrument naming another institution as depository agent to receive payments.
- 5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered ble of fibile of such operations are prosecuted with no cessation of the fibility of the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.
- 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10% provided that a leaves unit gas to the formed by a constant of the constant horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.
- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

- 8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs. Devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder. Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in pan Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest riot so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall he divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.
- 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby. Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder,
- 10. In exploring for, developing, producing and marketing oil. gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery. Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells. and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production, Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or pands. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above. notwithstanding any partial release or other partial termination of this lease: and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall he located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.
- 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall he added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.
- 12, In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms arid conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.
- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has giver Lessee written notice fully describing the breach or default, and then only if Lessee falls to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee falls to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run With the land and survive any termination of this lease.
- 15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option. Lessee shall be subrogated to the rights of the party to whom payment is made, and in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder, In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
 - 16. Notwithstanding anything contained to the contrary in this lease. Lessee shall not have any rights to use the surface of the leased premises for drilling or operations.
 - 17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

See exhibit A attached hereto and made a part hereof

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments. in the form of rental, bonus and royalty, arc market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on marker conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions, Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessor's oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

gnature: Chris Chapele	Signature:
nted Name: Chris Chappell	Printed Name:
	ACKNOWLEDGMENT
TATE OF TEXAS OUNTY OF DALLAS This instrument was acknowledged before me	e on the Aday of At , 2009, by Chris Chappell.
RONALD SCOT	Royald Scott Newton Notary Public, State of Texas Notary's name (printed): Notary's name (printed): Notary's commission expires:
Notary Public, S	Notary Public, State of Texas
My Commissi September	03, 2013 Notary's name (printed): Bono & Fott Newton
STATE OF TEXAS COUNTY OF	ACKNOWLEDGMENT
	e on the day of 20 , by
	Notary Public State of Tayas

Notary's name (printed): Notary's commission expires:

EXHIBIT "A"

Attached to and made part of that certain Paid-Up Oil and Gas Lease (No Surface Use) dated the <u>26th</u> day of <u>October</u>, 2009, by and between <u>Chris Chappell</u>, as Lessor, and FOUR SEVENS ENERGY CO., as Lessee.

In the event any of the provisions of the following Addendum to Oil and Gas Lease conflicts with the terms of the proceeding Paid-Up Oil and Gas Lease, the terms contained in this Addendum shall control. The parties for adequate consideration agree to the further terms and conditions with respect to the Paid-Up Oil and Gas Lease to which this Addendum is attached.

- 18. Notwithstanding any other provision hereof, this lease covers only oil and gas. The term 'oil and gas" means oil, gas, and other liquid and gaseous hydrocarbons produced through a well bore.
- 19. Notwithstanding any other provisions herein to the contrary, if a part of the leased premises is included within the lateral boundaries of a pooled unit, or units, drilling operations on or production from or the payment of shut-in royalties on such pooled unit or units. shall maintain this lease only as to that portion of the leased premises within the lateral boundaries of such pooled unit or units: provided that the shut-in royalties which tear be paid with respect to any such pooled unit, or units shall be reduced in the proportion that the total number of acres from the leased premises which are not included in such pooled unit, or units. bears to the total number of acres covered by this lease. During the primary term, this lease may be maintained in force as to land not included within the lateral boundaries of such pooled unit, or units, in any manner provided for in this lease, except that if it be delayed rentals or shut-in royalty payments, such payments shall he reduced in the proportion that the total number of acres from the leased premises which are included in such pooled unit, or units bears to the total number of acres coveted by this lease. As to that portion of the leased premises not included in such pooled unit, or units. after the expiration of the primary term, this lease may be maintained only by the production of oil, gas or other minerals therefrom or by payment of shut-in royalties thereon (which payments shall be reduced in the proportion that the total number of acres from the leased premises winch are included in a pooled unit, or units, hears to the total number of acres covered by this lease) or by operations or other provisions in this lease which pertain to re-working operations or additional operations at or after the expiration of the primary term.
- 20. Upon the expiration of the Primary Term, or such later time as the Lease is not maintained by continuous development, this Lease will terminate except as to the acreage included within a proration unit surrounding, any well shall is then producing in paying quantities or deemed to be producing in paying quantities by virtue of payment of shut-in royalties (hereafter a "Retained Tract") and as to each Retained Tract, the Lease will that terminate as to all depths below 100 feet below the stratigraphic equivalent of the time of the deepest producing formation on the Retained Tract. The Lease will be treated as a separate lease with respect to each Retained Tract and will continue so long as production in paying quantities continues from the tract.
- 21. After the expiration of the primary term, if there is a Well capable of producing oil or gas in paying quantities on the Leased Premises or on the land pooled with the Leased Premises. the payment of the shut-in royalty payments shall maintain this lease to force and effect or a shut-in period at more than two (2) consecutive years and four (4) cumulative years It is agreed and understood that any shut-in gas well royally payments made hereunder shall be calculated on the basis of Twenty-Five Dollars (\$25.00) per net mineral acre per year Payment of Shut-in Royalties shall not discharge Lessee's obligation to pay royalty on actual production dating any period nor shall this provision discharge Lessee's obligation to act as a reasonable and prudent operator and to make reasonable efforts to market production.
- 22. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil. gas or other proceeds accruing to the Lessor under this lease or by state law shall he without deduction for the cost of producing, gathering, storing, separating treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form. however notwithstanding anything contained herein to the contrary, any such costs which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements. However, in no event shall Lessor receive a price that is less than, or more than the price received by Lessor. Lessor
- 23. Notwithstanding anything to the contrary in the Lease, Lessor makes no warranty of any kind with respect to title to the Land. By acceptance of this Lease, Lessee acknowledges that it has been given fall opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the Land, and Lessee assumes all risk of fide failures. Lessee shall have the right to conduct its title evaluation after the lease is signed and prior to the date any draft or bonus consideration is due, and may re-draft should a proportionate reduction be necessary. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties payable hereunder shall he reduced proportionately. Lessee, at its option, may discharge any tax, mortgage, or other lien on the Land, and in the event Lessee does so. Lessee will have the option to apply the royalties accruing to Lessor toward any such payment.
- 24. LESSEE AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS LESSOR, AND LESSOR'S TRUSTEES, BENEFICIARIES. LENDERS, TENANTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS, AGAINST ALL EXPENSES, CLAIMS, DEMANDS, LIABILITIES, LOSES AND CAUSES OF ACTION OF ANY KIND OR NATURE INCLUDING, WITHOUT LIMITATION. FOR NUISANCE, FOR INTERFERENCE WITH ANY OF THE SURFACE TENANT'S RIGHTS UNDER THE LEASE INCLUDING. WITHOUT LIMITATION, ITS RIGHT OF QUIET ENJOYMENT, FOR INJURY TO OR DEATH OF PERSONS, AND FOR LOSS OR DAMAGE TO PROPERTY, OR ANY OF THEM, INCLUDING, WITHOUT LIMITATION, (REASONABLE) ATTORNEY FEES, EXPERT FEES, AND COURT COSTS, CAUSED BY OR RESULTING FROM LESSEE'S SUBSURFACE OPERATIONS OR ANY VIOLATION OF ANY ENVIRONMENTAL REQUIREMENTS BY LESSEE'S AS A RESULT OF ITS SUBSURFACE OPERATIONS. AS USED IN THIS PARAGRAPH. THE TERM "LESSEE" INCLUDES LESSEE, ITS AGENTS, EMPLOYEES, SERVANTS, CONTRACTORS, AND ANY OTHER PERSON ACTING UNDER ITS DIRECTION AND CONTROL, AND ITS INDEPENDENT CONTRACTORS.
- 25. Notwithstanding anything to the contrary in this lease, this instrument may be executed in any number of counterparts, all of which, when taken together, shall constitute one original instrument. Notwithstanding anything to the contrary, this lease shall remain in effect as to the interest of the parties who do execute this Paid-Up Oil and Gas lease in counterpart even if all of the parties hereto do not execute this Paid-Up Oil and Gas Lease.
- 26. Lessee, within a reasonable time alter receipt, shall furnish a copy of any mineral ownership report which it obtains in regard to the Leased Premises insofar as that report reflects the Interest of Lessor and including sufficient information to enable Lessor to confirm the computation of its tract and unit interest.

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

FOUR SEVENS ENERGY CO LLC 201 MAIN ST STE 1455 FT WORTH, TX 76102

Submitter:

FOUR SEVENS ENERGY CO.,

LLC

<u>DO NOT DESTROY</u> <u>WARNING - THIS IS PART OF THE OFFICIAL RECORD.</u>

Filed For Registration:

11/5/2009 3:30 PM

Instrument #:

D209293005

LSE

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PGS

\$24.00

By: Degan Henless

D209293005

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: VMMASSINGILL